

# JOURNAL

OF

## FARM ECONOMICS

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### THE EDITORIAL PAGE.

Special attention is given in this issue of the JOURNAL to methods of teaching farm management, particularly in relation to the business of the farm and the farmer. The editor has received a hearty response to a request for a few short papers which was sent out the latter part of June to several men who have been identified with farm management demonstration work from its inception. These brief articles will serve to indicate a few of the features which have been emphasized in some states during the past year.

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Readers of the JOURNAL should not overlook the fact that farm management extension work is still in its infancy. The Section of Farm Management Demonstrations, which is a part of the Office of Extension Work, North and West, States Relations Service, was organized in 1914. It is true that some notable contributions had been made to farm management literature prior to this date, but material for the use of the field men was not abundant and it had not been placed in its most usable form. Furthermore, methods of teaching were not very clearly defined, and under these conditions it was impossible to do the most effective work. Illustrative charts and lantern slides had to be developed. Experience has taught us how these charts and picture lessons can be modified in order to make the appeal effective. The demonstration farm survey was utilized extensively at the beginning and it is still serving a very useful purpose. However, in a few states, many of the men appeared to feel after the first two years that more satisfactory results could be secured in some other manner. Naturally a diversity of ideas has grown out of these different methods of conducting farm management demon-

stration work. To one who has made careful observations throughout this period it is apparent that considerable progress has been made. The experience of the past five years can undoubtedly be used to advantage in building a permanent foundation for future effort in the betterment of the farm business.

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Extension teaching, in so far as it relates to farm management and farm economics, was reviewed quite fully at the last annual meeting of the American Farm Management Association in Baltimore, Maryland, January, 1919. The papers which were read on the latter occasion are included in this issue of the JOURNAL. These addresses contain many historic facts concerning the development of farm management demonstrations. Some valuable suggestions with reference to ways in which the present program may be improved are also given by the respective authors. This volume of the JOURNAL will be of value primarily to the demonstrators who are directly in touch with the farmer and his problems. Incidentally it ought to be of interest to the college or university instructor in that it indicates methods of attack in dealing with men who as a body have not had all the advantages of a scientific education. Then, too, these papers will undoubtedly be beneficial to the investigator because they point out some of the problems that are urgent at this time.

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The editor of the JOURNAL OF FARM ECONOMICS will welcome short papers, constructive criticisms and timely suggestions from members of the American Farm Economic Association. Notes of progress pertaining to investigation, instruction and extension work are of interest to members of the Association and such items will be greatly appreciated by members of the editorial staff. Set them down as they occur to you and mail them promptly to the editor. The pages of the JOURNAL should be considered an open forum. The third and final issue of the association magazine for the current year will be published and mailed prior to the annual meeting. Material intended for this number should be sent in not later than October 1st.

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#### **BOOST FOR NEW MEMBERS.**

The secretary has recently sent out over twelve hundred letters to prospective members in the agricultural field. Most of these have gone to county agents, demonstration agents and those interested in

the economics of farming. The responses have been exceedingly few. True, this is a busy time. Such requests are laid aside to be considered and answered later, and the year rolls away and our membership list remains about the same.

If the Farm Economic Association is to be an influence in scientific farm thought and action it must be supported by a large membership. Not only is this essential from a financial viewpoint, but its strength will be measured by the number of workers its publication reaches. Every member should boost for another name on our roll. This will double our membership and more than treble our influence. This will put the JOURNAL on a sound financial basis and make it a permanent established power in the economic field, rather than an experiment. Boost for new members.

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### HAVE YOU WRITTEN YOUR LETTER?

Sept. 1, 1919.

F. W. PECK, *Secretary-Treasurer*,  
Farm Management,  
Washington, D. C.

*Dear Sir:*

I am enclosing herewith check to the amount of two dollars (\$2.00) in payment of annual dues as an active member of the American Farm Economic Association. I have been slow in responding to your several requests, but I hope you will not conclude that my interest in the welfare of this Association is declining.

I have received my copy of the first issue of the JOURNAL OF FARM ECONOMICS, and may say that I am heartily in favor of publishing a quarterly journal. In order to make this magazine a success, you will not only need the enthusiastic support of old members, but you will also require new recruits. Expect to send you the names of several new members in the near future.

With best wishes, I remain,

Very truly yours,

M. S.

Enclosure \$2.00.

P. S. The Secretary-Treasurer should receive 150 or 200 letters like the above within the coming 60 days.

## FARM MANAGEMENT DEMONSTRATIONS IN NEW YORK STATE, 1919.

### A DEMONSTRATION FOR THE SIXTH YEAR.

G. P. SCOVILLE,  
ITHACA, NEW YORK.

This spring records were taken for the sixth year in the town of Newfane, Niagara County, a township situated in the western New York fruit region. The farm bureau committee arranged for a meeting in each of the fourteen school districts in the town. The farmers were asked to bring to the meetings any records they might have of their farm expenses and receipts. At the meeting each farmer attempted to fill out a labor income blank for his farm. Ninety-eight such records were started and generally completed at these meetings. Sixty-three other records were secured through farm calls. An attempt has been made to get a record from every farmer whether interested or not. I was amused to see a farmer at a meeting last spring who had ordered me off the farm two summers before. He did not work his record at the meeting but took his blank home. When I called a day or two later he and his wife had the blank completely worked. I have seldom checked a labor income record with a couple as interested as they were.

### THE NUMBER OF RECORDS.

The number of records by years taken in the Newfane area is as follows:

Year.	No. of Records.
1913 .....	101
1914 .....	91
1915 .....	70
1916 .....	87
1917 .....	116
1918 .....	161
Total for 6 years .....	<u>626</u>

Since the farm management demonstration work started, there have been 4,770 labor income records taken in 49 areas in New York State. An area is counted each year that it is taken. We are taking

fewer areas now than formerly. There is always the temptation to do work in more areas than can be properly tabulated and returned. But we are getting more records per area. In the northern part of Livingston County 724 records were taken this spring. This same area was taken ten years ago.

#### ACCOUNT BOOKS.

No data have been collected concerning the accounts kept by the Newfane farmers. My impression is that less than 10 per cent. of these farmers take an annual inventory but that nearly 90 per cent. of them keep some record of their expenses and receipts. Most of the farmers in filling out a labor income blank were continually referring to their accounts. I was disappointed to see how many had not used the manila-covered account book which was left with them the year before.

This past winter and spring the county agents in New York State have asked for over 4,000 inventory books and as many more cash books. These books simply furnish a place for taking an inventory and recording receipts and expenses. It is a waste of time for any farmer to keep accounts if he does not use the information after he has it. It is the analyzing of the farm business which is the most difficult, but the most valuable. When a farmer sees that he needs to know certain things about his business, the recording of that information will naturally follow. In this demonstration we have tried to emphasize *analyzing* rather than *recording*.

#### INCOME TAX AND FARM MANAGEMENT.

S. H. THOMPSON,

AMES, IOWA.

The Income Tax Act has stimulated thousands of farmers in the keeping of farm records. While the Iowa Farm Management Demonstrators have been consistently urging the need of keeping records in complying with income tax requirements they have recognized that the income tax matter was not an end in itself, but merely a method of approach in the study of the farm as a business. It is true that the late passage of the 1918 Revenue Bill gave but little time within which to render returns or do educational work. As a result, although Farm Bureau offices were deluged with appeals for help, many rendered excellent service. In too many cases, however,

it was not possible to aid the men asking for help in the analyses of their farm business. This was extremely unfortunate but was due rather to exigencies of the time than to lack of desire on the part of the county agent or absence of interest on the part of the farmer.

Of seventy-six Iowa farm bureaus that have reported to date, all but three worked with the income tax. The seventy-three who included the work on income tax and farm records as a project reached 8,896 farmers. Forty-four bureaus worked only with individuals, while twenty-nine assisted both individuals and groups. The bureaus who worked with individuals alone reached on the average eighty-nine each, while those who worked with groups reached one hundred and seventy each.

When one considers the size of the job ahead of the farm bureau, the advantage of the group method of work becomes apparent. An income tax collector recently stated unofficially that more than 60,000 Iowa farmers, or an average of six hundred per county filed returns this year. It must be admitted that it would be almost a physical impossibility for the Farm Bureau to aid these men individually. Merely figuring their income tax returns would take so much of the county agent's time that he would be unable to aid them at all in the analysis of their business. Of course, where there were sufficient funds the farm bureau might hire extra help—legal assistance—as some bureaus did last year.

At this point the question of using public funds for individual service is encountered and it must be granted that it constitutes a valid objection. It may not be possible for bureaus to eliminate all individual service, but they should have a definite policy founded on just principles and should make every effort to comply with it. On no other grounds can they reasonably expect continuance of funds derived from taxation. It should be remembered, moreover, that so far as the individual is concerned he will be best served when he is taught to do things for himself.

That it is possible to teach farmers in groups is no longer a matter of question. It has been repeatedly done in many of the Northern and Western States. At Rudd, Iowa, on March 6, 1919, nineteen farmers convened at a morning meeting, made their own inventories with the aid of County Agent Dickinson and the demonstrator. In the afternoon four of the men returned for instruction in cost accounts. At Sidney, Iowa, on March 11 of this year, sixteen men assembled for income tax instruction and made their inventories on the same date. The "harvest" time for conducting this work is

between December 1 and March 15. Then interest in income tax is at its height and the farmer has the time to spare.

During the present fiscal year, Iowa hopes to put on a very thorough farm management campaign. As a prelude it is planned to hold a series of district conferences of county agents where plans for county projects will be fully discussed. It is recognized that varying conditions in the counties will prevent the use of a uniform project. It is contemplated that each county will be given from two to five days of a farm management demonstrator's time for further assistance of the agents through local meetings. The agent will then personally or through local demonstrators extend the work until every township has been given an opportunity to receive instruction on labor income records, cost accounts and income tax.

#### **DEMONSTRATION WORK ON COST OF PRODUCTION RECORDS IN NEBRASKA.**

P. K. WHELPTON,  
LINCOLN, NEBRASKA.

Helping farmers to keep cost of production records on main enterprises of their farm business is one of the important lines of farm management demonstration work being carried on in Nebraska this year. County agents in twelve counties are coöperating in this work with records on one to four enterprises in each county. For keeping these records, special cost supplements containing a summary, a labor record for crops, and labor and feed records for livestock, are being used in connection with the Nebraska Farm Record Book.

Extension methods followed in starting this work varied with the county. In Gage County twelve men whom the county agent knew were likely to be interested in this work were called on personally and helped to start records on the cost of growing corn. These men have been visited since and for the most part are keeping their records in good shape.

In Scotts Bluff County several meetings were held over the county as a means of locating interested men. Sugar beets and potatoes were judged by the farmers to be the crops on which cost figures were most needed, beets particularly, as a contract price has to be agreed upon every winter. Those present at each meeting were asked to select several men in that locality to keep records on one of these crops during 1919. The selected men were then seen personally and helped to start their records. It was considered more desirable to have men

chosen by their neighbors in this way than to ask for volunteers, as the former method gives the feeling of responsibility to the community for keeping a good record throughout the year.

Interest in this work has been good on the part of county agents and farmers. Farmers have long had an idea that one of the big reasons for keeping farm records was to find out what it cost them to produce crops, perhaps a bushel of wheat, or a hundred pounds of milk. For the past three years it has been noticed that in talking to them regarding farm records, finding out the cost of production seemed to be the reason for record keeping that came most frequently to their minds. County agents, of course, want the information that these records will furnish for their counties.

Government price fixing during the war, particularly of wheat, and the success of some of the milk strikes intensified this interest in cost figures. Now that the war is over and city papers are clamoring for a decrease in the cost of living, there is a feeling that farmers need cost of production figures in self defence, should an attempt be made to force farm prices down out of line with other prices. The lack of definite information about the details of the farming business as carried on under local conditions seems to be appreciated more thoroughly than ever before.

Of how much value these records will be for maintaining prices remains to be seen. Responsibility for such use rests with the farm bureaus. It is generally admitted, however, that farm records are worth keeping provided they are studied and interpreted intelligently. Therefore, it seems desirable to utilize this popular interest in cost records and encourage farmers to keep them, doing sufficient follow-up work so that the records will be studied and interpreted. Comparisons between the methods and costs of different men will prove highly interesting. In one county, for example, the use of four-horse machinery on corn on some farms already shows to considerable advantage over the use of two-horse machinery on other farms. The end of the year will tell whether a decreased yield equalized this difference. Of course, many other such comparisons can be made. From this standpoint alone cost record work seems worth doing. It is to be hoped that the farmers keeping the records will feel this way also, and continue them from year to year.

**ASSISTANCE GIVEN IN SUMMARIZING FARM RECORDS IN INDIANA.**

LYNN ROBERTSON,

LAFAYETTE, IND.

As a part of the farm management demonstration work in Indiana this past year, individual help was given to 562 farmers in summarizing their financial records and in interpreting the results, with a view to showing the farmers how they could use the records in improving their farm business.

Each of these 562 farmers brought his record book to the county agent's office or to a bank at an appointed time, and spent from thirty minutes to two hours figuring on his own business with the county agent or the farm management demonstrator. The income and the most important simple factors influencing his profits were computed and his business compared with a good standard for the community, determined by previous records, census figures, etc. The factors usually included the following: acres, crop acres, animal units, animal units per ten acres of land, livestock receipts per \$100 feed, crop yields, crop acres per man and per horse, and work units per man and horse. After talking over remedies for whatever weakness was revealed, the farmer took his book home with the figures that had been worked out.

The 562 books thus summarized represented only 27 per cent. of the books which had been distributed through county agents. A large number of the other books were doubtless used more or less completely, but were not brought in. However, it is felt that more real good was done with these 27 per cent. than would have been done with a much larger number under the method used in the State the previous year when the records were factored at the demonstrator's office and the results then returned to the farmer.

The good features of the methods of assisting in completing records as outlined above are as follows: (1) The book is not taken away from the farmer and he does not have to wait for his results; (2) the farmer sees how the figures are obtained, so has more confidence in the results and learns how to do the figuring himself; (3) the results are most accurate when worked out together by the farmer and the agent; (4) the county agents who actively assist, learn how to analyze the records and get a usable grasp of the Farm Management problems of their counties.

Valuable as this method is, it can be considered only as an important step toward, and a good training for, the "group method,"

already being used in places. As simple financial records come into more general use and demands become too great for individual help, assistance must be given to farmers in groups where they do their own figuring, following directions and examples given by the leader, who at first is the county agent or farm management demonstrator, but as the work develops, may be one of the farmers in the area.

The most important objection to this latter method is that it eliminates help to some good men who think slowly and do not keep up with the crowd, but who are interested and appreciate any help they can get. The merits, however, more than offset the disadvantages and from an extension standpoint, it is more desirable as farmers do their own figuring and thereby learn most rapidly how to receive the greatest benefit from their records.

#### **FARM MANAGEMENT EXTENSION WORK.**

R. F. TABER,

COLUMBUS, OHIO.

In Ohio the farm account book is the basis of nearly all the farm management extension work. Recognizing the demand for this work brought on by the income tax, this past year we have attempted to broaden our work and at least place a good accounting system within the reach of every farmer in the State. As in other states we felt that the banker was the best available medium through whom to handle the distribution of the account books and so we took up the matter through the bankers' association of the State. We received the finest kind of coöperation; the association took over the printing of our book and have distributed about 17,000 to the banks of the State, who have in turn furnished them to interested farmers. Besides this the county agents and the college have furnished about 4,000 books to farmers direct. The banks and the agents have kept lists of the men to whom these account books have been furnished in practically all cases and last winter wherever the influenza would permit, follow-up meetings were held coöperatively between the banker, the county agent and the income tax field man. At these meetings the proper way of keeping farm accounts was taken up by the agents, the income tax was explained by the internal revenue man and the banker took up such matters of finance and credit as would be of interest to the farmers.

Everything considered we believe that this is the best possible way of pushing farm accounting in a large way. We are planning many

meetings to follow this work up during the winter months. If present plans carry these will be all-day or afternoon laboratory meetings on farm accounting, summary and analysis, to which the men receiving account books will be invited. These will be followed by a more public evening meeting with illustrated talks on farm management and labor efficiency with a talk by a banker on the credit statement, cash purchasing, etc. These meetings if properly carried out should enable us to put some farm management into the account book work and make it a useful medium of extension work.

We are making one more use of the farm account book. This summer we have assisted the county agents in two counties to summarize groups of account books. These were then brought into the office, analyzed and reports returned to the men. The material is taken up thoroughly at meetings in an effort to spread the benefit of the work beyond the men who gave the figures. We believe that this latter phase, while it smacks of the old survey idea, is a very necessary part of the work. General publicity material either of averages or individual instances which is so essential in actually putting our work across is thus provided. Mainly, however, the purpose of this work is to educate the county agents. It is not sufficient to educate him in the keeping of farm accounts, he must be given a thorough training in farm management with the agriculture of his own county as a basis. Each year we hope to work in new counties, thus keeping our own ideas up to date as well as keeping the county agent on the ground relative to his work in the county from an economic standpoint.

#### GETTING FARM MANAGEMENT TO THE FARMER.

W. L. CAVERT,

UNIVERSITY FARM, MINN.

When one of our Minnesota farm management extension workers was new to extension work, he arranged a series of charts showing the results of a community farm management survey that to him seemed to have instructive value for any farmer interested in a more profitable business in the region represented by the data. These charts included the customary tables showing that a large business, a high crop index, good returns per animal unit and more than an average number of animal units per crop acre were all factors making for profitable farming.

The farm management extension worker presented the data and the audience, being courteous, gave respectful attention, but the

speaker had failed to arouse an interest that would lead to action toward more profitable farming. The meeting was a FAILURE. Why? For two reasons: first, farmers are not statisticians, and the items presented dealing in crop indices, and animal units were Greek to them; second, the charts which contained a lesson for the author had not answered the questions that were in the minds of the farmers. These men make interpretations through illustrations that are obtained in their community.

#### TEACHING VALUE OF GOOD CROP YIELDS.

One chart demonstrated that a high crop index increased farm profits. Assuming that the farmer comprehended the term crop index, it was to him no startling discovery that good crop yields ordinarily result in increased profits. The facts that needed to be driven home in regard to better crop yields were that those farmers who had a rotation that included clover and sufficient corn or potatoes to control weeds, and that were able to manure each field every four or five years, were getting the good crop yields. The way to persuade Mr. Farmer Brown to do these things, is to banish the term "crop index" from one's vocabulary, and call Mr. Brown's attention to figures showing the actual receipts and expenses and labor income of Mr. Farmer Jones, who is getting the good crop yields by means of the good rotation, and intelligent use of manure, and then explaining in every-day language just how Mr. Farmer Jones handles his crops.

#### EMPHASIZING PRODUCTIVE LIVESTOCK.

Farmers generally appreciate the fact that highly productive livestock makes a farm more profitable, but they don't always understand why their livestock is less profitable than that of their neighbors. However, show Mr. Brown that by the use of clover hay and silage for the cattle, and by alfalfa, clover or rape pastures, in addition to grain for the hogs that Mr. Farmer Jones, a local farmer, is producing beef and pork in greater quantities and at less cost per cwt. than his neighbors, and Mr. Farmer Brown who gave merely respectful attention to the charts showing the relation of crop and animal indices to labor income will be intensely interested in learning just how his neighbor has greatly increased his crop yields by the use of a good rotation and by the intelligent use of manure, and how he has made his livestock something more than a manure factory by the use of clover and corn silage grown in the rotation as the basis for a balanced ration for meat or dairy production.

## HOW TO INTEREST A FARMER IN A LARGER BUSINESS.

Mr. Farmer Brown is not usually greatly surprised to learn that a 240- or 320-acre farm is more profitable than a 120-acre farm, although there are some striking exceptions. But when one explains to him how a local farmer increased the size of his business by tiling the forty-acre slough and as a result raised forty extra acres of crops, worth \$1,200 to \$1,600, with practically the same machinery, horses and labor as were formerly used, he sees concretely the advantage of a large business. In like manner, he understands that Mr. Farmer Jones has his good rotation and good feed for his livestock because the wild hay meadow is eliminated and thus is removed the problem of what to do with the wild hay from the slough if one also has a sufficient acreage of clover and timothy hay upon the tillable land to make a satisfactory rotation.

## ILLUSTRATIVE MATERIAL.

Our experience is that one of the most effective ways of teaching farm management principles is to exhibit by charts or blackboards the detailed business of a representative farm and then to teach farm management principles by a discussion as to why the farm is profitable and what could be done to make it more profitable.

The experience of the farmers in the audience may be used as a guide in setting up community standards; for example, the charts show that Mr. Farmer Jones on a 160-acre farm keeps four work horses. A number of farmers in the audience, who have 160-acre farms may each be asked to state how many work horses are used on 160 acres. The number on the various 160-acre farms will usually vary from four to six, but there will ordinarily be one or two farmers who will state that they are getting their work done in good shape with four horses per quarter section and who will explain the cropping system by which they secure a good distribution of horse labor.

To sum up, a good method of farm management extension work is to show in concrete form just what the profits are on one or more representative farms of the region, and then point out in language free from technical phraseology just how this particular profitable farm is handled as compared to average practice. To avoid undesirable publicity for individual farmers, assumed names may be used to good advantage.

**TEACHING FARM MANAGEMENT THROUGH FARM ACCOUNTING.**

H. C. M. CASE,

URBANA, ILL.

Farm accounting has proved a means of interesting the farmer in farm organization and management problems. Successful agricultural extension teaching must reach the individual. This involves three steps,—namely, winning his attention to the importance of a specific project, demonstrating how the project may be conducted, and securing action on the part of the individual in carrying out the project for himself. Finally, however, agricultural extension work must reach large numbers of farmers before it can be termed either successful or efficient.

Farm management demonstration work as conducted in Illinois during the past winter may be analyzed according to the above plan. Throughout the winter season, one-day farm management schools were conducted with groups of farmers. These groups averaged about thirty men. The success of the schools was dependent to a large extent upon the county agricultural agents. To instruct the agents and stimulate their interest, they were brought together in groups of ten or more and a period of two to three hours was given to an exercise similar to the program for the schools. This enabled the agents to advertise and arouse interest in the meetings as well as assist in local county meetings. Later they conducted farm accounting schools without assistance.

Certain conditions have made it easy to win the attention of the farmer to the importance of farm accounting. In the first place, the Illinois farmer, like most other farmers, was practically legislated into keeping accounts by the income tax law. And, secondly, recent agricultural developments have given farming the aspects of a real business. The increase in the price of land, the large investment in working capital, the cost of man and horse labor, and the decreasing fertility of the soil are some of the factors which have caused farmers to look upon farming as a business. As in other businesses, accounting offers the best basis for determining the proper adjustments in the operation of farms in order to secure reasonable profits.

The information on the income tax rulings was a feature that stimulated the interest of farmers in attending the schools. However, the schools were conducted throughout the day, and a large part of the instruction was devoted to farm organization and operation.

Each farmer in attendance was directed in entering a typical complete financial farm record in an account book. He was also given instruction in working out the taxable income and in analyzing the entire record. This was done to demonstrate how the record should be kept for farm management or income tax purposes. The various items were taken up in logical order. The inventory at the beginning of the year was inserted first, followed by the entry of receipts and expenses for the year's business and, finally, the inventory at the end of the year. This procedure together with the actual practice on the part of each one in attendance gave a thorough understanding of how to keep the record. The determination of the taxable income and the analysis of the business through the use of the account demonstrated the value of farm accounting.

The interest shown in the analysis and study of the record and the discussion of farm organization and operation problems, indicated that those in attendance at the school had been thinking of the business side of farming and wanted information of this kind. The large differences in the farm incomes on farms of like natural possibilities is recognized, hence, the use of simple factors which can be applied to measure the efficiency with which a farm is being operated is something many farmers are beginning to feel they should have as they study their own farms in a business way.

In applying the test to this demonstration work, that is, whether or not action was secured on the part of the individual in using the information secured in keeping his own farm account, it was found quite effective. Many men started their accounts by entering the inventory of their own business before leaving the meeting. Reports from the agents indicate that the men started their accounts with little trouble after attending the school. Heretofore, difficulty was found in getting the men to keep their records unless careful instruction and individual assistance was given in starting the records. Individual work secured the results desired but failed to reach a large number of men.

The method of instruction outlined above made it possible to instruct a large number of men at one time, and in a way that the county agent could duplicate by holding additional meetings without assistance from outside of his county. One needs only to recognize the fact that a number of the states have over a quarter of a million farmers each in order to realize the enormity of the task before the extension forces. In so far as the farm management extension worker is able to train others to effectively carry farm management

information to farmers, he multiplies the efficiency of his own work. In the main, this additional contact is going to be secured through the county agents. Hence, it is an important part of the extension worker's task to choose his material and put it in such form that the county agent can use the material in carrying it to farmers.

## AMERICAN FARM ECONOMIC ASSOCIATION.

### REPORT OF THE COMMITTEE ON CHANGE OF NAME.

The committee carried on some correspondence with a considerable number of the members of the Association and had personal interviews with a large number of the leading members who were present at the meeting and after careful consideration decided to recommend that the name of the American Farm Management Association be changed by striking out the word management and inserting the word economic, making it read the American Farm Economic Association. The reason for making this change is that the work which the Association is doing has gradually expanded until it includes a very great deal more than farm management; also that the men who are associated in this organization have included in their work a very great deal more than they originally contemplated to include under the term farm management. It is especially true that during the past year, owing to the farmer's problem of marketing, much of the work in the field has related to price fixing, which is a subject beyond any limit properly given to the name farm management. When all these factors were taken into consideration by the committee, it seemed wise to make this change in the name, in order that the name might correspond to the work which we are doing. The committee, therefore, recommends this change in name.

Report signed by,

H. C. TAYLOR, Madison, Wis.,  
J. A. FOORD, Amherst, Mass.,  
K. C. LIVERMORE, Ithaca, N. Y.

It may be of interest to the members of the Association to know that since the name of the Association has been changed, the members of the committee of the American Association of Agricultural Economists which had in charge the question of their relations to the American Farm Management Association, have recommended to the members of that Association that they all join the American Farm Economic Association and thus they will all belong to the one Association.

Sincerely yours,

(Sgd.) H. C. TAYLOR.

## FARM MANAGEMENT DEMONSTRATIONS—PAST, PRESENT AND FUTURE.

M. C. BURRITT,  
CORNELL UNIVERSITY.

### INTRODUCTORY.

I have been asked by the secretary of this association to give a frank analysis of farm management demonstration work as it is being conducted in New York State and to make constructive criticisms and recommendations for its future conduct. Although I am somewhat hesitant in doing this, I feel that I am not altogether unqualified for it since I have had a rather close connection with the farm management demonstration work in New York State from its first inception.

### HISTORY OF THE WORK IN NEW YORK STATE.

To get at the beginning of this work, we must go back almost to 1900, when Dr. G. F. Warren undertook some orchard surveys in western New York in connection with studies of orchard practices and the results of these practices for the Department of Horticulture at the New York State College of Agriculture. Several of these surveys were made prior to 1910, and most of them were published. They brought out very strikingly the results of successful farm practice in the orchard regions of New York State and undoubtedly had a marked influence upon the development of better practices. While they were intended as investigations, they really had a marked demonstration value, and the facts and figures thus secured were widely used not only in New York State but in other States as well to show desirable orchard practices. These orchard surveys led quite directly to attempting similar surveys of the whole farm business. One of the first of these surveys ever undertaken was by mail. The writer had the privilege of making this survey as an undergraduate thesis under the direction of Dean Thomas F. Hunt, now of California, and later of preparing it for publication under the direction of Dr. Warren. The results of this survey were published as Cornell Bulletin No. 271, "The Incomes of 178 New York Farms." This sur-

vey had little definite value except as it proved a stimulus to the whole idea.

The first personal farm to farm survey was attempted by Dr. Warren in Tompkins County, New York, in 1906-07 and -08. The first year's work was not used and was practically thrown away except as it taught Dr. Warren and his assistants how to take successfully a real farm management survey which would be of value. This survey was completed and published in 1908, and it is worth remarking that this first publication of the results in Tompkins County should have been so well done that even to-day after so much of this work has been done that there are few publications that give the results as completely and as well.

Out of these initial attempts there grew a number of careful farm management surveys in New York State from the investigation standpoint. These were notably those in Jefferson and Livingston counties, published as bulletin No. 349 of the Cornell Experiment Station. About the time these investigations were published, the farm bureau movement began to attract attention in New York State. The second county in the State to take up this work was Chemung County, which began its efforts in March, 1913, and in casting about for an agent choice fell upon Mr. G. P. Scoville, who had assisted in the taking of several of these farm management surveys under Dr. Warren's direction. At that time county agent work was so new that no one knew exactly what ought to be done or how the work should be conducted, and perhaps as much for the want of any definite instructions or ideas on the subject on the part of his local directors or of the college, Mr. Scoville began the taking of farm management surveys. He kept steadily at this work for nearly two years and began to get results which attracted quite general interest, particularly the interest of the U. S. Department of Agriculture.

The Department made a study of Mr. Scoville's results and methods of work, and when it received appropriations for the extension of its aid to county farm bureaus through the Office of Farm Management of the U. S. Department of Agriculture, it devoted a considerable part of these funds to this type of county agent work. Mr. Scoville was brought to Washington at annual meetings of county agents to give the results of his work and department representatives visited Chemung County, and later as farm management demonstrators were employed in other states, they were sent to Chemung County for training and observations. Thus farm management demonstrations came to be an established fact in the country as a whole.

During the next two years, largely as a result of the initiative and

interest of the Department of Agriculture, the work was extended until on February 1, 1918, it was being carried on in nearly all the northern states and when 17,095 farms in the United States had been surveyed by this method. In the majority of these cases the record taken was later summarized and returned to the farmer, with comparison with the average.

Perhaps the development of this work in New York State was more or less typical of the work in many other states. I find on consulting our reports that survey records were taken in New York State as follows:

Year.	No. Counties.	No. Farm Records.
1914	4	609
1915	18	1568
1916	17	1143
1917	5	301
1918	3	514

This table will show what all farm management demonstrators and those who have followed the work realize, that too much work was undertaken without adequate facilities for following it up and without a realization of the factors essential to success, so that it was impossible to make good the large amount of work that was started. The result was that the number of areas and the number of farms surveyed increased rapidly for about two years and then fell off sharply for the next two years.

Another phase of activity which has grown directly out of these demonstration surveys has been the keeping of farm accounts. In fact in some of the states this work has practically been turned over into the keeping of accounts. In New York State during the past season there were nearly 2,000 farmers keeping some kind of farm account records in coöperation with the county farm bureaus. More or less of this was a direct result of the farm management surveys. In other states even larger numbers of farmers are keeping records as a result of this work.

#### ESSENTIAL WEAKNESSES IN THE PLAN.

Like so many other specific remedies for general situations, this plan, which was developed so rapidly and so enthusiastically chiefly as a result of the efforts of the federal government, soon developed many weaknesses. This was prophesied by many, but the answer of the farm management enthusiasts was that this was not a specific but a general remedy, since it dealt with the farm business as a whole and

that it promised to correct other shortcomings by balancing many of the specific lines of work heretofore undertaken. This did not prove to be the case, however. It is possible that the emphasis which has recently been placed upon farm accounting as a specific may turn out to have about the same net result.

Some of the most apparent weaknesses in this general plan, it seems to me, are the following:

1. The work was projected into the states and by the states into the counties and by the county farm bureaus themselves into localities without sufficient consideration and adaptation of the methods employed, without sufficient knowledge of the large piece of work involved or sufficient preparation for it. In many of the states there was nothing to demonstrate and the work was really a sort of an experience school for persons who were later to develop points of view and comparative efficiency in demonstration work. The majority of the states were not ready to undertake this work and it was in effect projected into these states by the federal government. The states in turn more or less forced the work upon the county agents and county agents passed it along to the localities. There was no widespread and general demand for the work.

I think it obviously follows that any piece of work attempted under these circumstances not preceded by a propaganda of education and preparation for it cannot do otherwise than fail. The whole piece of work was essentially weak because it was projected too rapidly and from overhead.

2. The plan of farm management demonstrations involved such a large amount of detailed work not only in gathering the data but in summarizing and tabulating it and putting it into proper form to make it useful, and all of this involved such high costs, that county agents and demonstrators alike became overwhelmed and discouraged with it and it had to be abandoned in a majority of counties after the first year of two. Too many records were taken in the first place so that they could not be quickly enough summarized and returned to farmers. The facts got cold and the farmers lost what interest they originally had in it.

3. In too many instances the original records could not be followed up consistently with any specific results or recommendations with consequent lack of interest and failure to establish a permanent piece of work.

## RESULTS OF FIVE YEARS' WORK.

The results of farm management demonstrations after nearly five years of effort and a large expenditure of public funds have, it seems to me, been somewhat as follows:

1. A much smaller number of demonstration survey records are now being taken annually than were previously taken. Much of the work done has been abandoned and efforts have been concentrated on fewer areas and fewer farms. Thus a good deal of the work has been lost as far as specific results are concerned.

2. A small amount of real demonstration work in farm management in a few areas and on a comparatively few farms has been established on a permanent basis and is producing results. Much evidence could be gathered and presented here to support this statement. I shall only present two typical instances from New York State.

Farm management demonstration work has been conducted in Chemung County since 1912, records having been taken on many farms for five or more successive years. I quote from County Agent Vann's letter of August 30, 1918:

"The farmers with whom record work has been discussed believe it is well worth while and that they have received considerable benefit from the analyses of their farms worked up from their record and returned by the farm bureau.

"In regard to the value of record work, it appeals to me as one of the most valuable lines of work since many farmers keep practically no records of their business and this work encourages the keeping of accounts. Many farmers realize the value of keeping accounts, but lack initiative in getting started. If simple books are supplied and a little information as to how to start the accounts given, I believe many more farmers would keep them. When one who has not kept accounts gives a record he realizes how little he really knows concerning his year's business and can usually be interested in keeping accounts.

"The plan of taking records at small community meetings worked out very satisfactorily in this county last spring. Six to ten men were invited to a neighboring house. When the records were not completed at the meetings, farmers were visited and records completed the following day. A similar plan for returning the records will be carried out this fall. This appeals to me as the most satisfactory method of taking and returning records, as well as the starting of accounts. I believe that one man's time devoted to record work, starting accounts and follow-up work in each county would be time well expended.

"Farmers in Chemung County, especially where records have been taken over a succession of years, consider the work of value and are generally ready to coöperate with the Bureau by giving records. Farmers calling at the office frequently make inquiries regarding their records, labor income, etc. Practically no farmers, however, have asked to have records taken. I believe the management on many farms has been greatly improved through the information brought out by the records.

"Our plan is to continue farm management work next year and give more time to the starting of simple farm accounts. I believe men who agree to keep accounts and are supplied with an account book should be visited once or twice during the year and given help if needed."

In Niagara County records have been taken for five years, or since 1914. County Agent Peet writes as follows under date of August 30, 1918:

"I believe that work has not progressed far enough so that farmers have got to the point of requesting the work, but each year the request is renewed by the advisory committee, and after five years' work with the same farmers we find such men very glad to see us on our return.

"The results from our work, taking the community as a whole, have been of tremendous importance. When it was found that the average labor income on the average farm in the town of Newfane for four years amounted to only \$185.00, the men were very plainly scared and began seeking a solution of their financial problem. This information made it easy to start our central packing house project and I believe was largely responsible for the sincerity with which the growers have gone after this project.

"We tried out last year the system of holding small group meetings at private homes under the direction of Mr. Scoville or myself and getting the men to figure their own records. Nearly half of the records were taken in this way; forty-two to be exact. The men were then provided with a farm account book purchased by the farm bureau, costing nine cents each. I feel certain that the forty-two men thus approached will continue to keep books for themselves. I believe that this is getting real personal results. The account book and the small group meeting have worked so well in Niagara County that I cannot help but recommend it very strongly to other counties in the state.

"We had a supply of these books in a prominent place at the farm bureau office during the winter and fully fifteen men asked for a copy to use on their farms. They were promptly presented a copy,

with a string attached that they give us the figures at the end of the year."

3. The farm management demonstration method has, however, been quite generally accepted and is coming into more and more general use. The value of these farm management demonstrations, both to county agents and to farmers, in developing this general viewpoint has been very great, as it has been one of the most important factors which has led to the present general recognition that farming is a business as well as an occupation, and it has brought about a very much more general acceptance of cost of production as a factor in the price of farm products.

One of the notable influences of this factor in New York State has been the adoption by the dairymen of the state of what is known as the Warren formula, which is a cost of production formula for the price of milk, and the dairymen, through their powerful organization—The Dairymen's League—have succeeded in getting this accepted by the Federal Food Administration.

4. The work has led to a larger amount of farm accounting and has accelerated farm bookkeeping on the part of farmers. Some indications of this may be seen in the following records of the number of farmers coöperating with county agents in keeping accounts in the state during the past three years.

1915 .....	263
1917 .....	298
1918 .....	374

5. In my judgment the most important results of all the farm management survey work has been the *development of a large body of definite and reliable farm facts and a more rational viewpoint of farm business, farm profits, and farming conditions*. This is a big result and one which has had a far-reaching effect and will continue to have.

I called attention to the importance of this factor and ventured to prophesy that it would be the important result in my talk before this association in 1914. I quote from the association's 1914 report on page 63:

"In principle, I am unable to see that extension work in farm management is particularly different from any other type of extension work. . . . Personally, I believe that in this farm management demonstration work which is being inaugurated all over the Northern States, that the individuals worked with are not the end but the means to the end. I believe that success will come, if it comes at all, through the development of a point of view on the part of large numbers of

individuals rather than by actually influencing the particular practice of a few individuals."

#### SUGGESTIONS FOR THE FUTURE.

I believe that by far the most important results in this farm management demonstration work are to come in the future. In my opinion it has failed to influence a number of farmers commensurate with its cost, as a *specific* demonstration of how to farm successfully. It has succeeded in its general propaganda of getting the essential factors of successful farming before people.

For the future, I believe that the following recommendations will prove to be the lines of effort which will be most productive of results.

1. *Educational Propaganda.*—There should be a much larger use in educational work of the investigational data which have accumulated, partly through actual investigations made as such and partly through the demonstration work, in schools, in lectures, in writings, etc., in order to get the essential farming facts before the public and to develop a correct viewpoint of farming as a business.

2. *Limitations and Permanence.*—The work must be confined to a smaller number of areas, more farms must be included in the areas, and no more records must be taken than can be promptly summarized and returned to farmers, consistently followed up in a long-term permanent demonstration on a few selected and typical areas.

3. *Local Projects and Self-Help.*—The most successful work will probably be carried on through and by groups of farmers summarizing their own businesses. This will be laboratory teaching in a specific locality, after the locality has become interested by the propaganda educational work above outlined. This work should be followed up by farm account keeping whenever possible.

4. *Data Kept up to Date.*—Old data, much of which has been gathered and which is not needed, should be omitted in future and new data of present interest and value on new lines of effort should be gathered.

5. *Facts Speak for Themselves.*—Out side of the general educational propaganda above outlined, it seems to me the work is more or less of an individual and community matter. Not very many general conclusions can be drawn. It will be impossible to completely separate investigation and extension work in farm management. They are too closely identified and they can be separated only by their initial purpose and intent. The facts brought out by these surveys will be the most important factor. There is great need of summarizing all these facts and making them generally available.

## CONSTRUCTIVE CRITICISM OF EXTENSION AND DEMONSTRATION WORK IN FARM MANAGEMENT.

EDWARD C. JOHNSON,  
KANSAS STATE AGRICULTURAL COLLEGE.

Extension and demonstration work in farm management is so new and the methods used in developing it, so varied, that it must yet be considered in the experimental stage. Whether one or more of the methods of work now in general practice will stay or whether these will be supplanted by other methods not yet generally recognized are questions that can be answered best by the element of time.

A short review of the development of the farm management extension work in Kansas may or may not be typical of other States but a frank discussion of it may help to crystallize the ideas and suggest a basis for harmonizing farm management extension methods.

The real object of farm management demonstration work which represents the only line of farm management extension that has been emphasized in the State has been to bring about a practical personal application of well-established farm management principles on the part of farmers on their own farms. This has been the outstanding object since the inception of the work. While this object has stood the test of time, as much cannot be said of the methods most commonly used during the four years that the work has been conducted. These have been changing from year to year and probably will need further modification.

In the fall of 1914, the demonstration work was begun as a farm management survey project. The survey was used first, as a means of obtaining data necessary for determining standards of farm organization. With the standard determined for a particular area, the next step consisted in showing the farmer how this standard should apply to the individual farm—the assumption being that he in turn would make use of the lesson thus presented to him. Should he fail to do so, the project itself would fail.

The propaganda necessary to obtain and assure the interest of the farmer was based upon the results of the survey. The result of emphasizing the relation of some outstanding factor, such, for instance, as an exceedingly small farm, to profits had its effect as is illustrated by the following examples: A Mr. Weber in Allen County, whose

farm was surveyed and whose business was not as good as it might be, because of too small a farm unit, decided to move immediately to a larger farm. He said: "I had been thinking about making the move and your work showed that I was right, so I decided to move. 120 acres of land is not enough." A Mr. Green, of the same locality, increased the size of his farm unit by renting some twenty acres of land adjoining his own. This represented the first rental he had made since owning his farm, which contained less than eighty acres. He stated: "I knew my horses and I were not rushed for work, so I just decided to rent that piece of bottom land." A neighbor, who owns eighty acres and who before had not rented land, rented thirty additional acres for crops. This occurred during the first season following the first survey.

Meetings, at which the survey work was presented, were well attended and interest was good. The farmers generally left feeling that the work was worth while and the information worth having.

Ordinarily, however, farmers did not make sufficient personal application of the results obtained in the survey to bring about any decided changes in the management of their individual farms. They knew that the figures they had given to those making the survey were estimates and not exact. Some remembered they had forgotten to enumerate certain items of expense, or of income, which affected their labor income. They, therefore, at heart refused to be fully convinced of the dependability of these surveys as applied to their own farms and this to some extent caused them to be cautious in their application of the principles. Grant, if you will, that from the standpoint of investigational work, these surveys are a sound basis for making deductions, in as much as the error in individual surveys is neutralized by numbers. Nevertheless in the farmer's mind this is not the case.

The survey work was handled for two complete years. It was decided that during the second year the method of determining the labor incomes of the various farms would be made more personal and the farmer would be given the opportunity of determining for himself, and on the basis of his own estimates, his labor income—the hope being that he would thus make the personal application, which is necessary to the successful promulgation of the work. Toward this end, meetings were arranged to assist the coöperators in determining their labor incomes. Three hundred and nine of the men with whom work had been done previously attended these meetings.

The result of the meetings demonstrated two things. First, that much interest could be secured by placing responsibility for surveys

work upon the individual farmer, and second that some form of accounts were desired by the farmer who was interested in this work because of its application to his particular farm and because he believed such accounts would be more accurate than estimates. The outcome of this personal work naturally was an increased demand for account books.

The program for the third year of the work included two different types of meetings—one to accommodate the survey work and the second to take care of account books.

A series of meetings was scheduled in each area where the work was to be done. This series of meetings for working out records on the basis of estimates did not attract as much attention by the farmers as did those dealing with the farmers' account books and accounts kept by themselves. As a result of this series of meetings, it was decided again to modify the work to the extent of eliminating the surveys based on estimates from the farm management demonstrations. The reason for eliminating the survey plan from the program was not so much because it was not of some value in demonstration work, but because greater confidence and interest would be secured among individual farmers if accounts were kept by them. The summarizing of the records from any area where any considerable number of the farmers kept accurate records would be most desirable if the time of the demonstrator permitted. As a rule, however, this would serve investigational work and, therefore, should be done by those in charge of farm management investigations.

In 1917, demands arose for demonstrations in determining the cost of producing certain crops and certain livestock. Such demonstrations, therefore, were included in the program for 1917. It was decided to start individual cost accounts with farmers desiring information on a certain enterprise, and during the following fall these cost accounts were to form the nucleus for a demonstration in cost account work—the thought being that much greater interest would be experienced if the items entering into the cost, as developed during the demonstration, were reinforced with figures from accurate accounts kept by farmers of that particular community.

(I am mentioning our program in detail in order to show how we are striving to meet the demands of the farmer and are using their immediate demands as entering wedges for fields of greater constructive work. The easiest way to reach the farmer is through the point of contact of his most immediate desire.)

Wherever possible, this cost work will be followed by the labor income records derived from the accounts kept by farmers. These

will form the basis of a more detailed study of the business. It is recognized that on the basis of cost account work for a single enterprise, reorganization suggestions cannot be safely given unless practically all the income is from that particular enterprise. Even then local conditions must be familiar to the farm management demonstrator while complete records of the farm business are most desirable.

The transition of the farm management demonstration work from the survey method to the individual account method has been gradual and progressive and has been made, not because the survey method is entirely without merit in demonstration work, nor because we consider ourselves as having graduated from that class of work but because we think that by the account method more farmers will be influenced to study their business with care and consequently will make the desirable changes.

It is recognized, of course, that the standards set by the farm management survey work are of great value to the demonstrator. Before the demonstration can safely be carried on it is necessary to determine as nearly as possible what local combinations of enterprise generally result in the largest net incomes. The simple and more readily applicable factors, such as a certain crop acreage, with less than which it is practically impossible to make profits, or the diversity, which is indicative of the safer farming system, may be emphasized in demonstration work.

If, however, the demonstration is to have a personal application, or in other words, if the success of the demonstration is to be measured by the number of men who make use of the information thus presented, it is necessary to follow up the survey work with the account work, so that the individual may have the necessary dependable figures for the detailed study, which is required in order that modifications in the management of the farm may safely be made.

A brief statement of the object of our Farm Management Extension work demonstrates its development as determined on the basis of increasing experience.

*1915-1916.*

1. To demonstrate to farmers by means of surveys based on estimates the importance of certain efficiency factors relating to the organization and administration of the farm as a means of increasing the net income of the farm;

2. To increase the efficiency of the county agricultural agent work.

*1916-1917.*

1. To demonstrate to farmers the importance of certain efficiency

factors relating to the organization and administration of the farm as a means of increasing the net income of the farm, and

2. To demonstrate to farmers in connection with their own farms a practical and efficient method of summarizing and analyzing the farm business as a means of increasing the profit or decreasing the loss incurred in conducting it and of deciding upon readjustments that promise to increase the net income, and

3. To increase the efficiency of the county agricultural agent work. 1917-1918.

1. To demonstrate to farmers in connection with their own farms (and on the basis of records kept by themselves) a practical method of summarizing and analyzing the farm business as a means

(a) Of measuring the profit or loss incurred in conducting it, and

(b) Of deciding upon modifications, which promise to increase the net income and ultimately by this means:

2. To demonstrate to farmers the importance of an efficient organization and administration of the farm business and the relation thereto of certain factors such as size of business, good crops, good livestock and diversity of business.

3. To increase the effectiveness of the county agent work.

Acknowledgment is here given to the careful and progressive work of P. E. McNall, specialist in farm management, who has been in charge of the farm management demonstration work in Kansas since its inception and who has been primarily responsible for developing the methods here discussed.

## RELATIONSHIPS BETWEEN EXTENSION AND INVESTIGATION WORK IN FARM MANAGEMENT.

C. B. SMITH,  
WASHINGTON, D. C.

Extension work presupposes a background of research. Without research we would have little to extend. Without research as a background there would be no extension division. Certainly there would be no national funds in support of extension work. It is not by accident that the nationalization of experiment stations in this country preceded the nationalization of extension work. Extension workers should not forget that fact.

Not only should we look to our research departments for subject matter to teach but such trial work as is necessary to learn the adaptability of the matter in hand to the various sections of the state should be handled by our research departments. This trial work has been called a twilight zone between research and extension. In my judgment there is not much of a twilight zone here. The trial work should be under the direction and supervision of our research departments. When such departments have reached their conclusions, the work then may be turned over to the extension division for extension through the county agents, home demonstration agents, and boys' and girls' club agents.

There are two main ways in which research departments get their information extended through the extension division: (1) Direct from the subject matter department to the county agents; (2) through an extension specialist who carries the message to county agents, or farm bureau and community committee men.

In the former case, the head of the research department draws up plans for the work, and submits them for the approval of the extension director and county agents. These plans usually provide that the research department will furnish plans and information to the county agents, and such agents will organize the work and carry it on as best they can.

I have in mind the plan of a western research department to increase crop yields through the use of better seeds. The head of that department wrote bulletins and circulars and devised posters to this

end; he furnished county agents with press matter for the local county papers, matters that could be signed by the county agents. This matter dealt with actual examples of farmers who had secured increased yields through the use of tested, cleaned, and treated seed. He furnished the county agents with a slogan which all used, namely, "Test, clean, and treat your seed." These words, in this order, appeared in all literature, all posters, and in all lectures. He furnished the county agents with plans for fair exhibits throughout every county. At these fairs, the booths were systematically divided into three departments for testing, cleaning, and treating seed. He got the State Council of Defense to indorse the scheme and asked each county and local councils of defense to further the matter in their respective communities. He wrote the wholesale dealers in formaldehyde, and suggested a uniform label be sent to all local dealers, showing how to use formaldehyde in treating seed. Copies of all his letters and publicity matter were uniformly sent each county agent, and the county agent made to feel that the head of the Research Department was working with him, both in improving agriculture, and strengthening the agent's standing with the farmers. In this case the Research Department was responsible to itself for subject matter taught, and to the Extension Department for its field organization in getting the matter over to the people.

The more common method for a research department to get its results out to the farmer, aside from the usual publicity channels, is through the instrumentality of an extension specialist, located with the Research Department, responsible to the head of that department for what he teaches, but financed by the Extension Director, and in his field work administered by the Extension Director. This would seem to be the right relationship between the subject matter department and the Extension Division. The Research Department has the information; the Extension Director has the field organization for carrying the work to the farmers.

No Research Department can afford to undertake extension work these days without working through the field extension organization of the Extension Division. Since the field organization is organized in the interests of the whole college as well as the Federal Department of Agriculture no single research department of either the college or the federal government could assume jurisdiction of such organization. This must be left to the Extension Director who created the organization and has funds for its financing. There must, therefore, be conference and coöperation between the research departments and the extension division in carrying on extension work. So far as we

are aware, nothing better than this plan of making the extension specialist responsible to the subject matter department for what he teaches, and to the extension director for his administration in the field, has thus far been worked out.

And this is the relationship which, in my judgment, may well obtain between research departments of farm management and Extension Divisions.

And, now, may I add a more intimate word with reference to our farm management demonstration work. This work was inaugurated, as you probably know, for the main purpose of teaching county agents in their extension work to think, not only in terms of particular lines of agriculture, but also in terms of farm organization and management as a whole; and secondly, through county agents to bring to the attention of farmers a few fundamentals in farm management which extended investigations in this country seem to indicate hold good the country over.

The thing we started out to teach through farm management extension specialists was that the net income of the farm is influenced by:

1. The size of the farm business.
2. The diversity observed.
3. The quality of the crops and stock kept.
4. The wise use of labor, teams and machinery.

These matters have been taught through the use of charts based on research data, and also frequently on local data secured either by the survey method, or through the accounts of farmers who have been solicited to keep books.

We started this program which seemed a safe one, and with the hope that our Colleges might be encouraged thereby to put in farm management courses and research departments. The results in this direction up to the present time have not met our expectations. There seems to be no doubt as to the value of farm management instruction, the need of having students who graduate and the county agents of the state grounded in a knowledge of farm management, but still the establishments of farm management departments either for teaching or research goes forward very haltingly.

I am wondering if this association could not render a service to agriculture by bringing to the attention of our agricultural colleges through resolution or otherwise, the need of such a department in every agricultural institution and encourage its establishment.

Summarizing: Investigation should precede extension.

The extension specialist is responsible to the Research Department for what he teaches, and as a general thing, should office with the

Subject Matter Department, and be regarded as a member of the department staff.

The Extension Specialist is responsible to the Extension Director for field contracts and for administration in the field, and is likewise regarded as a member of the Extension Director's Staff.

Can not this Association render a service to agriculture by urging, as an association, the more rapid development of farm management departments in our colleges of agriculture?

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### **PRELIMINARY ANNOUNCEMENTS.**

The annual meeting of the American Farm Economic Association will be held at Chicago, Illinois, November 11, 12 and 13, 1919. Further particulars will be sent to members of the Association and a complete program will be printed in the third issue of the JOURNAL. It is planned to have the latter ready for mailing November 1.

The American Association of Agricultural Colleges and Experiment Stations will hold its annual meeting at the Auditorium Hotel, Chicago, Illinois, November 12, 13 and 14, 1919.

## AMERICAN FARM ECONOMIC ASSOCIATION.

### REPORT OF COMMITTEE ON EXTENSION WORK, BALTIMORE MEETING, JANUARY, 1919.

The chairman of the Committee on Extension Work sent out three questionnaires: one to county agents, one to heads of farm management departments and one to farm management demonstrators. There were not enough replies from county agents nor were they sufficiently representative to warrant any definite conclusions. Nine replies were received from the questionnaires sent to the heads of farm management departments.

To the question, "What should constitute the program for farm management extension work in 1918 to 1919?" the consensus of the replies was that the established projects should be continued, but particular attention should be given to the efficient and economical handling of labor through good organizations and practice. Fourteen demonstrators also concurred in this program.

As to "What methods of work should be followed in carrying out that program so that it may be made effective on the farm?", the composite reply was, "Bring to the attention of the farmers through meetings, literature, personal visits, etc., available data on the principles underlying efficiency in the use of man and horse labor." Conduct demonstrations in the use of labor-saving machinery and labor-saving practice; stimulate competition between local crews; encourage record keeping, giving particular attention to expenditures of material and labor, to farm organization and to income tax requirements.

The questions to and replies from farm management demonstrators were as follows:

1. What have been your farm management projects in 1917 to 1918? The main project with a large majority of the fourteen demonstrators replying was teaching farm management principles to farmers with the aid of the farm account book. Other projects were carried out in cost of production, efficient use of labor, farm organization, farm surveys and efficiency factors.

2. To which of these projects have you given most attention and what has actually been accomplished in these major projects? The project receiving most attention was that of farm accounting.

3. What is your method (a) in getting your projects into practice

on the farm? (b) in follow-up work? The farmer's interest has been stimulated through meetings and articles in the local news emphasizing the value of farm account keeping by giving results of work in farm accounting and demonstrating that it is a good basis on which to determine taxable income. Through meetings and personal visits by county agents and so far as possible by farm management demonstrators, farmers are assisted in starting farm accounts. The placing of the farm account books was followed up by group meetings, personal visits and circular letters for the purpose of aiding the farmer in keeping records and for discussing farm management principles and efficiency factors. In a few states personal contact with the farmer is made entirely through the county agent or farm adviser.

4. To what extent is your farm management work coördinated with the work of (a) extension specialists, (b) county agents? In most of the states reporting there seems to be more or less coördination between the farm management projects and the projects of other specialists and a desire and an intention are expressed to make the coördination closer. In all states reporting the work is carried on in coöperation with the county agents or farm advisers.

The following danger signal is quoted from a well known farm management worker:

"The great danger in extension work is that it degenerates into rule giving, whereas it should be teaching and should observe the same principles that govern other instruction. It is just the difference between learning rules about arithmetic or learning arithmetic. Farmers are told to build silos. What they need to know are the circumstances under which the silo is likely to be a profitable investment. This depends on the size of the herd, whether it is summer or winter dairying, how well corn will grow, how certain the man is to continue in the dairy business, the amount of money he has, whether or not other investments are worse needed, etc."

C. L. GOODRICH.

## **AMERICAN FARM ECONOMIC ASSOCIATION.**

### **REPORT OF THE COMMITTEE ON TERMINOLOGY**

The following definitions are suggested for some of the more common farm management terms:

1. **FARM MANAGEMENT** is the problem of the individual farmer to organize the various factors of his farm business, to adapt farm practice to his particular environment, and to dispose of his products in such a way as to yield him the greatest continuous profit.

2. A **FARM** is a property composed of a single tract or separate tracts of land equipped as a unit for agricultural production, and which raises products equivalent in value to at least the wages of a hired man.

3. A **FARMSTEAD** is that part of a farm occupied by the house, barn, and other buildings, together with the garden and any adjacent yards or corrals.

4. AN **ANIMAL UNIT** is a unit for purposes of comparison, and represents an average mature horse or cow, or the equivalent in other livestock, based upon the amount of feed eaten and manure produced.

5. **FAMILY LABOR** is unpaid farm labor not including that of the operator.

6. **FARM RECEIPTS**, as the term is used in farm management studies, includes receipts from crops, livestock and their products, less value of purchases of livestock, use of equipment and labor off the farm, rent or sale of farm property, and increase in inventory.

7. **FARM EXPENSES**, as the term is used in farm management studies, include in addition to all farm expenses actually paid, the value of unpaid family labor not including that of the operator, any decrease in inventory, depreciation on all equipment for farm use including buildings, and provisions bought for board of hired labor and members of the family doing farm work.

8. **FARM INCOME**, as the term is used on labor income records, is farm receipts less farm expenses.

9. **LABOR INCOME** is farm income less interest on capital invested in the farm business. It is what the farmer receives for his labor and supervision of the farm business in addition to the use of a dwelling and to that part of the family living furnished by the farm.

10. A **SPECIALIZED FARM** is one which normally derives at least 50 per cent of its receipts from some one source.

11. CROP INDEX is the percentage comparison of the yields of crops on one farm, weighted by their acreages, with standard yields of the region expressed as 100.

12. A MAN WORK UNIT is the average amount of work accomplished by one man in 10 hours.

13. A HORSE WORK UNIT is the average amount of work accomplished by one horse in 10 hours.

14. FIXED CAPITAL is that invested in land, buildings, and relatively permanent fixtures.

15. WORKING CAPITAL is that invested in livestock, machinery, feeds, supplies, etc.

16. ACRES USED FOR CROPS include land on which crops were either planted or harvested during the season and land in orchards or perennial crops. It does not include acres of pasture, woods, fallow or waste land.

17. CROP ACRES refer to crops grown and not to the land used. If double-cropping or inter-planting is practiced, the "crop acres" will exceed the "acres used for crops."

18. A CROPPER is a tenant laborer who furnishes manual labor and little or none of the working capital, and who takes his pay, or a considerable portion of it, as a share of the crop he grows. Locally he is often called "share cropper," "half-hand," or "halver."

COMMITTEE ON TERMINOLOGY:

A. J. DADISMAN, *Chairman*,

J. H. ARNOLD,

F. H. BRANCH.

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### EXPLANATION CONCERNING CONSTITUTION.

The Constitution of the American Farm Economic Association was printed on the inside back cover of the first number of the JOURNAL. It is also reproduced in this number at the suggestion of the president of the Association. Members will, therefore, have an opportunity to study the changes which were made at the last annual meeting. If further modifications are to be voted upon this year, there will be ample time to consider them carefully and they can be presented at the coming annual meeting in Chicago.

## INVESTIGATIONAL NOTES.

Coöperative investigational studies in land economics have been inaugurated by the Office of Farm Management, U. S. Department of Agriculture, with the agricultural college officials of Wisconsin, Minnesota and Iowa.

The rural life studies formerly conducted by the Bureau of Markets in the U. S. Department of Agriculture have been transferred to the Office of Farm Management and Mr. W. C. Nason and Miss Isabelle Eaton who were associated with this work in the Bureau of Markets, have also been transferred to the Office of Farm Management.

The work in connection with the Farmers' Coöperative Insurance Companies, formerly under the direction of the Bureau of Markets in the U. S. Department of Agriculture, has been transferred to the Office of Farm Management. Mr. V. N. Valgren, who was associated with this work in the Bureau of Markets, comes to the Office of Farm Management with this project.

Mr. R. H. Wilcox, who for the past four years has been associated with the Illinois Experiment Station, has accepted a position in the Office of Farm Management, U. S. Department of Agriculture, and will be in charge of live stock economic studies.

Mr. E. H. Thomson, formerly assistant chief of the Office of Farm Management, U. S. Department of Agriculture, who resigned in March, 1919, to take up farming, has accepted the position of president of the Federal Farm Loan Bank, Springfield, Massachusetts, effective July 15.

Mr. A. G. Smith resigned from the Office of Farm Management, U. S. Department of Agriculture, effective August 31. Mr. Smith will devote his entire attention to farming in South Carolina.

Mr. R. N. Thompson resigned from the Office of Farm Management, U. S. Department of Agriculture, effective August 15. Mr. Thompson will devote a year's study to graduate work in farm economics.

Mr. J. A. Drake resigned from the Office of Farm Management, U. S. Department of Agriculture, effective August 15. Mr. Drake

is now associated with the editorial staff of the Farm Stock and Home, Minneapolis, Minnesota.

Mr. H. B. McClure, formerly engaged in crop economic work with the Office of Farm Management, U. S. Department of Agriculture, devoting his attention chiefly to the practice and cost of producing hay, transferred in August to the Bureau of Markets and now has charge of the project relating to market hay investigations.

A paper entitled "Farm Credit in Wisconsin," which was presented at the last annual meeting of the Farm Management Association by Dr. H. C. Taylor, has been published as Wisconsin Experiment Station Bulletin No. 300.

A paper on "The Economics of the Tractor," presented by Professor D. S. Fox on the same occasion, has recently been published as Pennsylvania Experiment Station Bulletin No. 158, "An Economic Study of the Gas Tractor in Pennsylvania."

"An Enterprise Survey in Four Sugar Beet Areas" is the title of a paper which was read by L. A. Moorhouse at Baltimore in January last. This address was printed in the July, 1919, issue of "Sugar."

In view of the fact that the information contained in these three papers is now available to members of the association, they will not be reproduced in the JOURNAL OF FARM ECONOMICS.

### EXTENSION NOTES.

W. H. Bronson will leave his position as Farm Management Demonstrator in the State of Massachusetts about September 20 to take up graduate study at Cornell University. Mr. Bronson will specialize in farm management. He expects to return to Massachusetts when his course is completed, and will devote his attention to teaching and investigation.

H. C. M. Case, of Illinois, was appointed Agriculturist in Charge of Farm Management Demonstrations in the U. S. Department of Agriculture at Washington on July 12, succeeding L. A. Moorhouse. Mr. Moorhouse resumes his former duties in the Section of Crop Economics in the Office of Farm Management.

The resignation of Arthur E. Miller, Assistant Farm Management Demonstrator in South Dakota, was tendered effective June 30. Mr. Miller has been connected with demonstration work in that State since April, 1917. He will engage in agricultural development work.

The entire Office of Farm Management is now located in one building at 200 Fourteenth Street, S. W., Washington, D. C. The Section of Farm Management Demonstrations has quarters in this same building and will be directly in touch with the results which are obtained by the Office of Farm Management.

A. C. Lewis, Assistant Farm Management Demonstrator in Vermont, resigned June 30. We have not been informed regarding the occupation which he intends to follow.

Farm Management Demonstrators R. N. Miller, R. V. Gunn and A. J. Copeland, of the States of Washington, Oregon and Montana, respectively, held a conference at Spokane on June 27 and 28. They report that much benefit was derived from their discussions of farm management demonstration problems in the northwestern area.

C. E. Hoke has resigned his position as Farm Management Extension Specialist in Oklahoma to become vice-president of the First National Bank in Stillwater.

E. Homer White is the Farm Management Extension Specialist in Mississippi coöperating with the U. S. Department of Agriculture. Mr. White was formerly county agent in Monroe County, Mississippi.

Professor DeForest Hungerford, formerly assistant professor of agronomy and farm management in the University of Arkansas, is now the Farm Management Extension Specialist in Georgia in coöperation with the U. S. Department of Agriculture.

### NOTICE TO OLD MEMBERS.

If old members have not paid their annual dues to the Farm Economic Association, it is urged that this payment be made at once. It is suggested that this be made a "special order of business," so that the obligations of the Association may be promptly met. Send that check *now*.

The committee on change of constitution consisted of G. F. Warren of New York, chairman, Frank App of New Jersey, and L. A. Moorhouse of Washington, D. C. After discussing the report of this committee, several changes were made in the constitution by the two-thirds or greater vote required for such changes. The constitution as amended and changed stands as follows (old text removed in parentheses and new text in italics):—